



CONFIDENTIAL

ESOP

PRELIMINARY ASSESSMENT QUESTIONNAIRE

Does your company qualify for an ESOP (Employee Stock Ownership Plan)? Can your shareholder, corporate, and management objectives be addressed by an ESOP?

By answering the questions listed below, and return the questionnaire by e-mail or fax. We will provide you with preliminary analysis at no cost.

Note: This form needs to be saved as a word file, completed and then faxed or emailed.

Company Information:

Company Name: _____

Mailing Address: _____

City, State, Zip Code: _____

Street Address (for overnight delivery purposes): _____

City, State, Zip Code: _____

Telephone Number: (____) _____ FAX Number: : (____) _____

E-mail: _____

Website Address: _____

Person(s) to contact regarding this information:

Name: _____

Name: _____

Title: _____

Title: _____

Principal business activity: _____

How many locations?: _____

Yrs. in business? _____

Names of Subsidiaries and Locations: _____

State where incorporated: _____

Fiscal Year End: _____

Type of Corporation: C Corporation Subchapter S

Is stock publicly traded?: Yes No If yes, where? _____

Most recent valuation of business, as of: _____; Value: _____

Determined by whom?: _____

Current year projected earnings pre-tax: _____

Last year's pre-tax: _____

Next year's projected pre-tax earnings: _____

1. **How did you hear about us?** Conference/Workshop Internet Other
 Personal reference by _____

2. **Employee Information:**

	<u>Number of Employees</u>	<u>Annual Payroll</u>
Salaried:	_____	_____
Hourly Non-Union:	_____	_____
Hourly Union:	_____	_____

3. **Stock Information:**

Number of stockholders (estimate for public): _____

Number of "5% or greater" stockholders: _____

Percentages of stock owned by major shareholder(s): _____

Classes of stock: _____

Number of shares outstanding for each class: _____

Are any stock sales pending?: _____

Are major stockholders active in the business?: Yes No

Are family members of major stockholders active in the business?: Yes No

If so, please specify relationships (spouse, son, daughter, etc.): _____

4. **Tax Rate Information, if C, Corporate Rate; S, Personal Rate:**

	<u>Federal</u>	<u>State</u>
Last Year:	_____	_____
Current Year:	_____	_____
Next Year:	_____	_____

5. **Employee Benefit Plan Information:**

Please provide the following information for your existing tax-qualified plans:

	<u>Most Recent Annual Employer Contributions (\$)</u>	<u>Current Employer- Contributed Assets (\$)</u>
Profit Sharing Plan	_____	_____
401(k) Plan	_____	_____
Defined Benefit Plan	_____	_____
Under funded: _____	Over funded: _____	How much? _____
Other:	_____	_____

Any of the above plans top-heavy?: Yes No Not Sure

Do you currently have any type of stock bonus, purchase, option or synthetic equity plans in place?

If so, please provide a description: _____

6. **Principal Objectives For Considering An ESOP (Please Rank 1, 2, etc. or N/A):**

- | | |
|---------------------------------------|--|
| _____ "Tax-free" Liquidity | _____ Perpetuation |
| _____ Going Private | _____ Tax-Free S Corporation Income |
| _____ Estate Planning | _____ Corporate Divestiture or Acquisition |
| _____ Employee Retention & Motivation | _____ Charitable Giving |
| _____ Increase Working Capital | |

Please describe any intended ESOP transaction currently under consideration. Please provide any additional information that would be helpful:

7. **Key Advisors:**

Accountant: _____

Attorney: _____

Principal Bank: _____

Insurance Agent: _____

8 . Preliminary Assessment Tax Savings Estimate

We have a model which illustrates the projected tax savings and cash flow of an ESOP transaction on a preliminary basis. If you would like this additional analysis please provide the following information **for the next seven years**. A rough estimate and growth rates are acceptable for this level of analysis. An excel sheet is available for data input at <http://www.esopservices.com/analysis.html> .

- Pre-tax income (before 401(k) match or Profit Sharing Plan Contribution)
- 401(k) match
- Other significant Income/ (Expenses)
- Cash at the beginning of the current year
- Deprecation
- Non-ESOP Debt Amortization (Principle Payments)
- Capital Expenditures
- Growth rate for payroll provided in #2 above
- Most recent financials (not required, but is helpful)

Confidentiality Agreement

ESI agrees that any non-publicly disclosed data provided by _____ or other parties in connection with ESI's work hereunder is proprietary and belongs to _____ and is highly confidential, and will not be disclosed, directly or indirectly, to third parties without _____'s advance written consent, even after the completion of this project, unless required by law.